USAID Grant Agreement No. SOAG-306-07-01

STRATEGIC OBJECTIVE GRANT AGREEMENT

AMENDMENT NUMBER ONE

BETWEEN THE

UNITED STATES OF AMERICA

AND

THE ISLAMIC REPUBLIC OF AFGHANISTAN

FOR

THE STRATEGIC OBJECTIVE OF A BETTER EDUCATED AND HEALTHIER **POPULATION**

Dated as of: September 30, 2005

APPN: BPC: RCN:

AMENDMENT NO. 1

TO

STRATEGIC OBJECTIVE GRANT AGREEMENT

AMENDMENT NUMBER ONE TO THE STRATEGIC OBJECTIVE GRANT AGREEMENT between the Government of the United States of America, acting through the United States Agency for International Development (USAID) and the Government of the Islamic Republic of Afghanistan, acting through the Ministry of Finance (hereinafter referred to as the "Grantee"), dated as of September 30, 2005.

WHEREAS, The Grantee and USAID entered into a Strategic Objective Grant Agreement ("SOAG") for the strategic objective of a better educated and healthier population, Grant Agreement No. 306-07-00 dated September 19, 2005 (capitalized terms not defined in this amendment shall have the meanings ascribed thereto in the SOAG);

WHEREAS, USAID and the Grantee wish to amend this Agreement to increase the USAID contribution by the amount set forth in Appendix 1 hereto.

NOW THEREFORE, the Strategic Objective Grant Agreement is amended as follows:

Amendment to Section 3.1. USAID Contribution

Section 3.1(a) is amended as set forth in Appendix 1 hereto.

All other terms and conditions of the Agreement remain unchanged and in full force and effect. This Amendment is prepared in both English and Dari. In the event of ambiguity or conflict between the two versions, the English language version will control.

IN WITNESS WHEREOF, the United States of America and the Government of the Islamic Republic of Afghanistan, each acting through its duly authorized representatives, have caused this Agreement to be signed in their names and delivered as of this day, month and year first written above.

UNITED STATES OF AMERICA

By: Name: Alonzo L. Fuldham

Title: Director, USAID Mission to

Afghanistan

Name: Abdul Razique Samadi

THE ISLAMIC REPUBLIC OF AFGHANISTAN

Title:

Deputy Minister of Finance, Signing in

his capacity as Acting Finance Minister

APPENDIX 1

TO AMENDMENT NO. 1 TO STRATEGIC OBJECTIVE GRANT AGREEMENT

Amendment to Section 3.1 USAID Contribution

USAID and the Grantee wish to amend the SOAG to increase the USAID contribution by FORTY-SIX MILLION NINE HUNDRED SIXTY-ONE THOUSAND TWENTY-FIVE AND SEVENTY HUNDRETHS (U.S.) DOLLARS (US\$46,961,025.70).

Therefore Section 3.1(a) of the SOAG is amended by deleting the amount THREE MILLION SEVEN HUNDRED THIRTEEN THOUSAND NINE HUNDRED FORTY-FOUR United States ("U.S.") Dollars (\$3,713,944) and inserting the amount FIFTY MILLION SIX HUNDRED SEVENTY-FOUR THOUSAND NINE HUNDRED SIXTY-NINE AND SEVENTY HUNDRETHS (U.S.) DOLLARS (US\$50,674,969.70) in lieu thereof.